

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: <b>ML-47777</b>	6. SURFACE: State
1A. TYPE OF WORK:    DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL:    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____    SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>The Houston Exploration Company</b>			9. WELL NAME and NUMBER: <b>North Walker Hollow 12-32-6-23</b>	
3. ADDRESS OF OPERATOR: <b>1100 Louisiana Suite 20</b> CITY <b>Houston</b> STATE <b>TX</b> ZIP <b>77002</b>		PHONE NUMBER: <b>(713) 830-6800</b>	10. FIELD AND POOL, OR WILDCAT: <b>Walker Hollow 700</b>	
4. LOCATION OF WELL (FOOTAGES)  AT SURFACE: <b>2,085 FSL &amp; 529' FWL 639349 X 40.256952</b> AT PROPOSED PRODUCING ZONE: <b>Same as above 4457354 Y -109.361432</b>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 32 T6S 23E</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>24.9 miles south of Vernal, UT</b>			12. COUNTY: <b>Uintah</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>529'</b>	16. NUMBER OF ACRES IN LEASE: <b>640</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40 Acres</b>		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>2,500'</b>	19. PROPOSED DEPTH: <b>8,604</b>	20. BOND DESCRIPTION: <b>104155044</b>		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4,932 GR</b>	22. APPROXIMATE DATE WORK WILL START: <b>7/1/2007</b>	23. ESTIMATED DURATION: <b>30 Days</b>		

**24. PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
11"	8 5/8      J-55      36#	2,000	Premium Lite II	250 sks	3.38cf    11.0ppg
			Class "G"	329 sks	1.2cf    15.6ppg
			Calcium Chloride	200 sks	1.10 cf    15.6ppg
7 7/8	4 1/2      N-80      11.6#	8,604	Premium Lite II	357 sks	3.3cf    11.0ppg
			Class "G"	526 sks	1.56cf    14.3ppg

**25. ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☐ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☐ COMPLETE DRILLING PLAN
- ☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) William A. Ryan TITLE Agent

SIGNATURE \_\_\_\_\_ DATE 4/23/2007

(This space for State use only)

**Approved by the**  
**Utah Division of**  
**Oil, Gas and Mining**

**RECEIVED**

**APR 30 2007**

API NUMBER ASSIGNED: 43-047-39087

Date: 05-16-07

By: [Signature]

DIV. OF OIL, GAS & MINING

SCALE 1" = 1000'	DATE SURVEYED: 07-20-05	DATE DRAWN: 07-25-05
PARTY N.H. D.S. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE THE HOUSTON EXPLORATION COMPANY	

## Ten Point Plan

### The Houston Exploration Company

#### North Walker Hollow #12-32-6-23

Surface Location NW ¼ SW ¼, Section 32, T. 6S., R. 23E.

#### 1. Surface Formation

Green River

#### 2. Estimated Formation Tops and Datum:

Formation	Depth	Datum
GR	Surface	4,932'
KB	+12'	4,944'
Green River	3,104'	+1,840'
Wasatch	6,104'	-1,160'
Mesaverda	8,604' <del>9,000'</del>	-3,660' TD

A 11" hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

#### 3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off set well information

Permitted/Drilled:

North Walker Hollow #2-32-6-23

North Walker Hollow #8-32-6-23

North Walker Hollow #10-32-6-23

North Walker Hollow #16-32-6-23

Abandoned Wells:

WHU #3

WHUB #5

#### 4. Proposed Casing:

Hole Size	Casing Size	Weight/FT	Grade	Coupling & Tread	Casing Depth	New/Used
11	8 5/8	36#	J-55	STC	2000	NEW
7 7/8	4 1/2	11.6#	N-80	LTC	T.D.	NEW

#### Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	Casing Size	Cement Type	Cement Amounts	Cement Yield	Cement Weight
Lead:	8 5/8	Premium Lite II .05#/sk Static Free .25#/sk Cello Flake 5#/sk KOL Seal .002 gps FP-6L 10% Bentonite .5% Sodium Metasilicate 3% Potassium Chloride	250 sks. +/-	3.38ft <sup>3</sup> /sk	11.0 ppg
Tail:	8 5/8	Class "G" 2% Calcium Chloride .25#/sk Cello Flake	329 sks. +/-	1.2ft <sup>3</sup> /sk	15.6 ppg
Top Job:	8 5/8	4% Calcium Chloride .25#/sk Cello Flake	200 sks. +/-	1.10ft <sup>3</sup> /sk	15.6 ppg

Production casing will be cemented to 2,500' or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	4 1/2	Premium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% Potassium Chloride .055 gps FP-6L 10% Bentonite .5 Sodium Metasilicate	357 sks +/-	3.3ft <sup>3</sup> /sk	11.0 ppg
Tail:	4 1/2	Class "G" .05% Static Free 2 Sodium Chloride .1% R-3 2% Bentonite	526 sks +/-	1.56ft <sup>3</sup> /sk	14.3 ppg

##### **5. BOP and Pressure Containment Data:**

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

## 6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-T.D.	8.4-12.0	30	8-10	Water/Gel

## 7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

## 8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

## 9. Abnormalities (including sour gas):

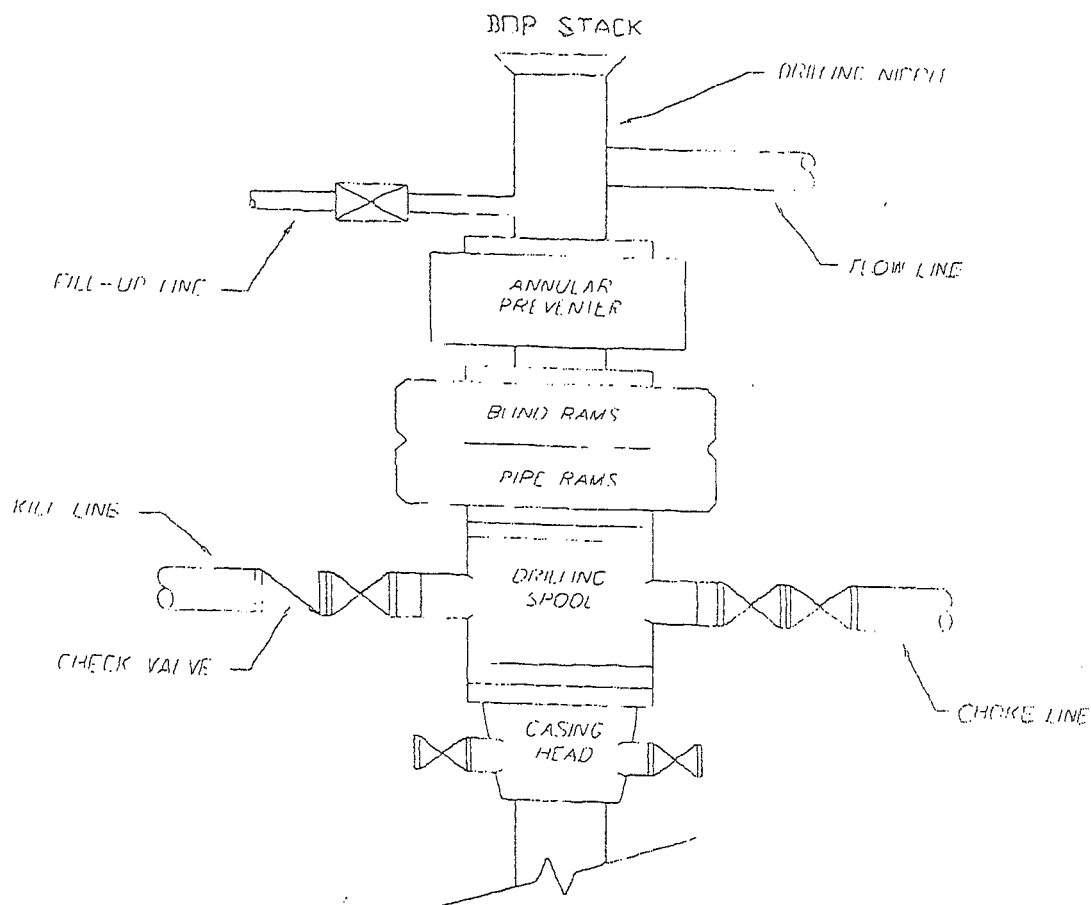
No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H<sub>2</sub>S.

## 10. Drilling Schedule:

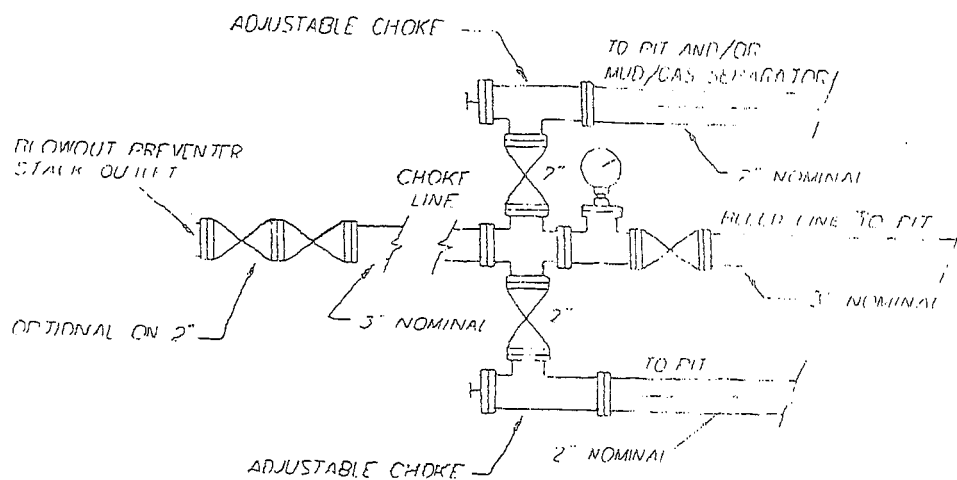
The anticipated starting date is 3/5/07 Duration of operations is expected to be 30 days.

# THE HOUSTON EXPLORATION COMPANY

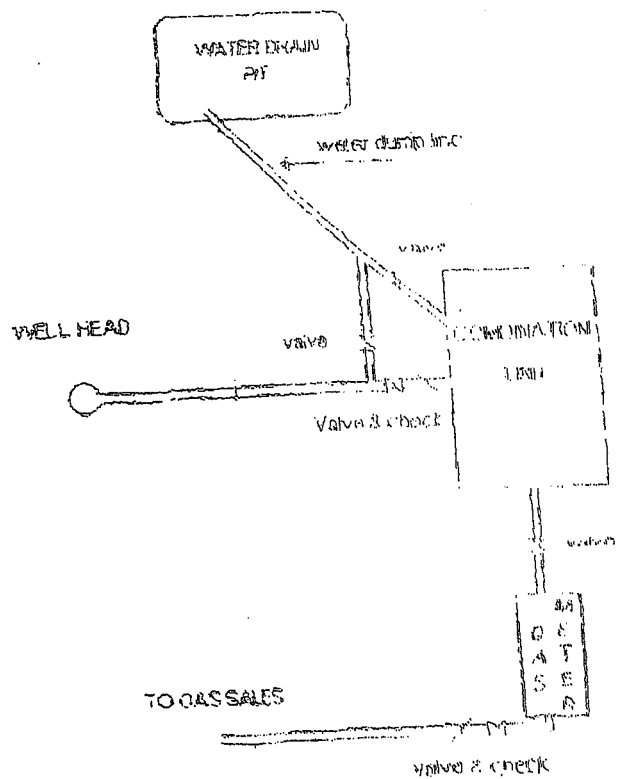
## TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



## TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



TYPICAL  
CASSWELL





**THE HOUSTON EXPLORATION COMPANY**

**13 POINT SURFACE USE PLAN**

**FOR WELL**

**North Walker Hollow #12-32-6-23**

**LOCATED IN NW  $\frac{1}{4}$  SW  $\frac{1}{4}$**

**SECTION 32, T.6S, R23E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: ML-47777**

**SURFACE OWNERSHIP: STATE**

1. Existing Roads:

To reach The Houston Exploration Co. well North Walker Hollow 12-32-6-23 Section 32, T6S, R 23E, Starting in Vernal, Utah.

Proceed in an easterly direction from Vernal, Utah along U.S. Highway 40 approximately 13.7 miles to the junction of this road and an existing road to the south; turn right and proceed in a southerly, then southwesterly, then southeasterly direction approximately 8.4 miles to the junction of this road and an existing road to the southeast; turn left and proceed in a southeasterly direction approximately 1.9 miles to the junction of this road and an existing road to the south; turn right and proceed in a southerly direction approximately 0.9 miles to the beginning of the proposed access to the south; follow road flags in a southerly direction approximately 300' to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 24.9 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 300' +/- of new construction on lease. Approximately 0.9 miles of

existing two track road will need upgrade. The road will be graded once per year minimum and maintained.

- A) Approximate length 300 ft
- B) Right of Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 5%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership State
- L) All new construction on lease Yes
- M) Pipe line crossing None

Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

- A) Producing well
- B) Water well None
- C) Abandoned well  
WHU #3  
WHUB #5
- D) Temp. abandoned well None
- E) Disposal well None
- F) Drilling /Permitted well  
North Walker Hollow 2-32-6-23  
North Walker Hollow 8-32-6-23

North Walker Hollow 10-32-6-23

North Walker Hollow 16-32-6-23

G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted an **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have

prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

**Approximately 8,650' +/- of 3" steel surface gas gathering line would be constructed on State and Federal Lands. The line will tie into the proposed pipeline in Section 32, T6S, R23E. The pipeline would be strung and boomed to the northeast of the location. The pipeline may be buried as determined by the Authorized Officer at the onsite.**

**An off lease right-of-way will be required for approximately 3,600'.**

**Please see the attached location diagrams for pipeline location.**

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining.

All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

**Water for drilling and cementing will come from The White River in Permit # T-76073.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling

fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. **Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.**

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 345 ft.
- B) Pad width 245 ft.
- C) Pit depth 12 ft.
- D) Pit length 150 ft.
- E) Pit width 75 ft.
- F) Max cut 43.6 ft.
- G) Max fill 15.9 ft.
- H) Total cut yds. 20,490 cu yds
- I) Pit location West side
- J) Top soil location South end
- K) Access road location East end
- L) Flare Pit corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 2,240 cubic yards of material.

Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeded, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

**To be determined by the  
Authorized Officer.**

11. Surface ownership:

<b>Access road</b>	<b>State</b>
<b>Location</b>	<b>State</b>
<b>Pipe line</b>	<b>State and Federal</b>

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported

promptly to the surface management agency.

been off production for more than 90 days.

D) Water:

**The nearest water is the Green River located 6 miles to the North.**

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction  
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion  
Prior to moving on the drilling rig.
- c) Spud notice  
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing  
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests  
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice  
Within five (5) business days after the new well begins, or production resumes after well has

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan  
Rocky Mountain Consulting  
290 S 800 E  
Vernal, UT 84078

Office 435-789-0968  
Fax 435-789-0970  
Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.


This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new

application will be filed for  
approval for any future  
operations.

**B) Certification:**

I hereby certify that I, or persons  
under my direct supervision, have  
inspected the proposed drill-site  
and access route that I am  
familiar with the conditions which  
presently exist, that the statements  
made in this plan are, to the best  
of my knowledge and belief, true  
and correct, and that the work  
associated with the operation  
proposed herein will be  
performed by The Houston  
Exploration Company and its  
contractors and subcontractors  
in conformity with this plan and  
terms and conditions with this  
plan and the terms and conditions  
under which it is approved.

Date 3/5/07

  
William A. Ryan, Agent  
Rocky Mountain Consulting

**Onsite Dates:**



### Statement of use of Hazardous Materials

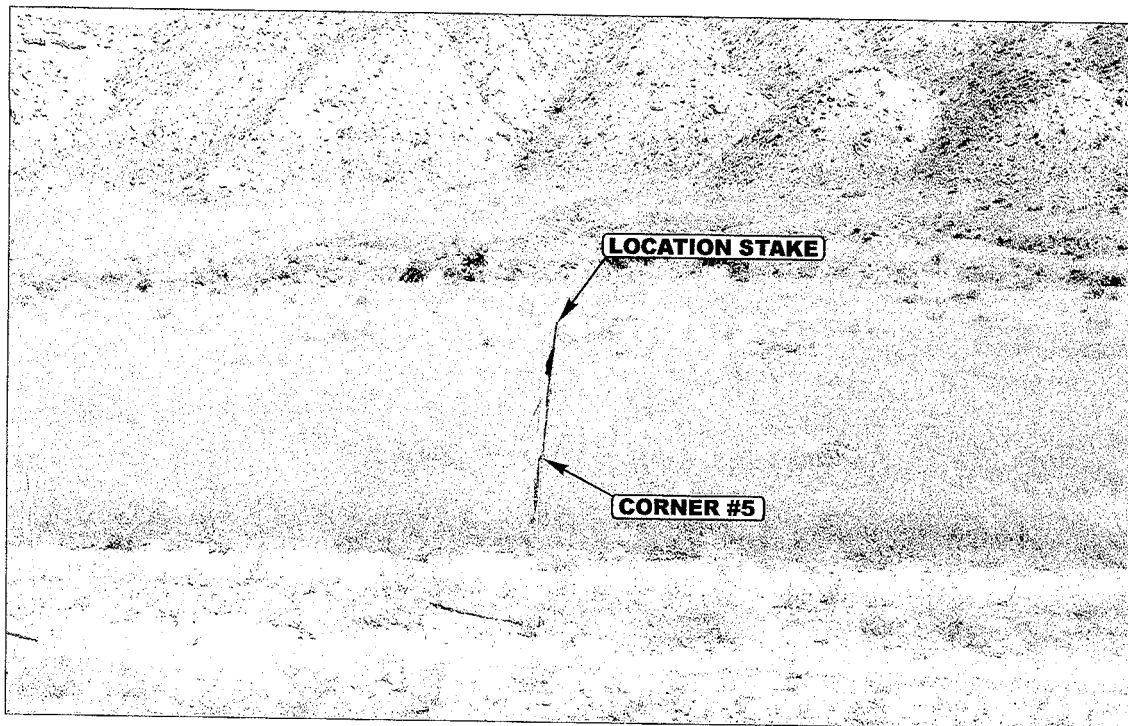
No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan  
Agent for The Houston Exploration Company  
Rocky Mountain Consulting  
290 S 800 E  
Vernal, UT 84078

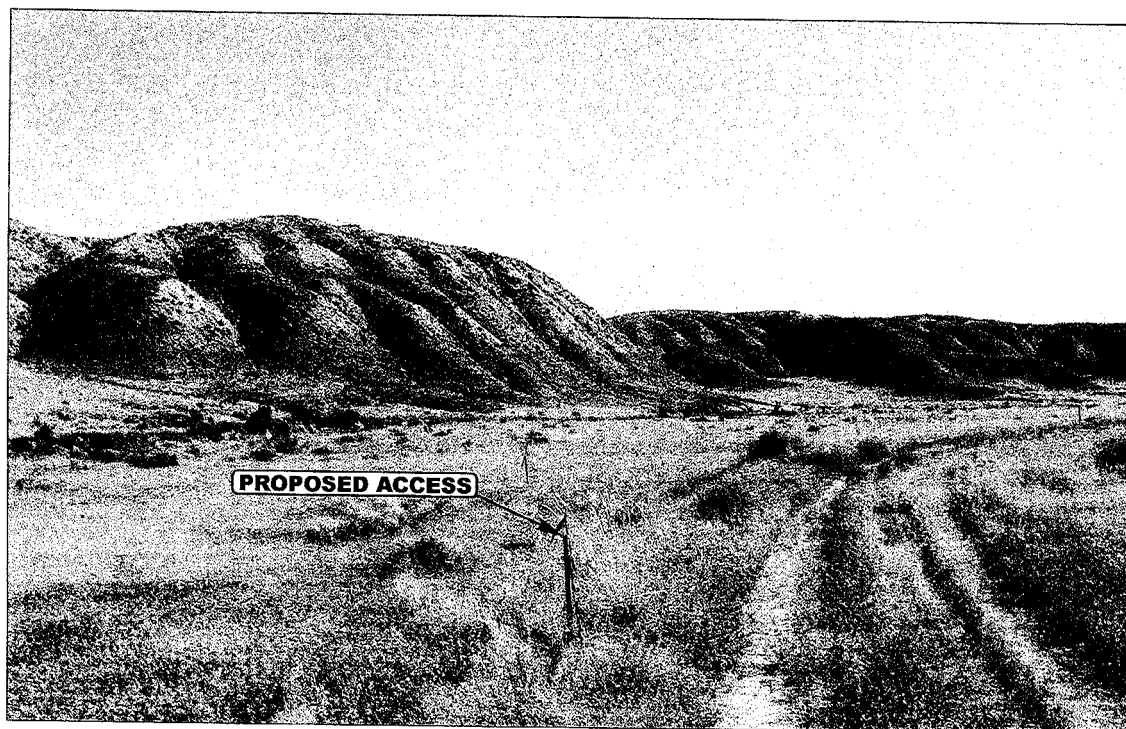
435-789-0968 Office  
435-828-0968 Cell  
435-789-0970 Fax

**THE HOUSTON EXPLORATION COMPANY**  
**NORTH WALKER HOLLOW #12-32-6-23**  
**LOCATED IN UINTAH COUNTY, UTAH**  
**SECTION 32, T6S, R23E, S.L.B.&M.**



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: SOUTHEASTERLY**



**PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS**

**CAMERA ANGLE: SOUTHERLY**



- Since 1964 -

**E&L** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			07	28	05	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: N.H.		DRAWN BY: P.M.		REVISED: 00-00-00		

# THE HOUSTON EXPLORATION COMPANY

FIGURE #1

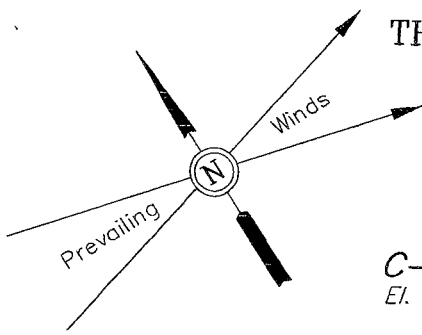
## LOCATION LAYOUT FOR

NORTH WALKER HOLLOW #12-32-6-23

SECTION 32, T6S, R23E, S.L.B.&M.

2085' FSL 529' FWL

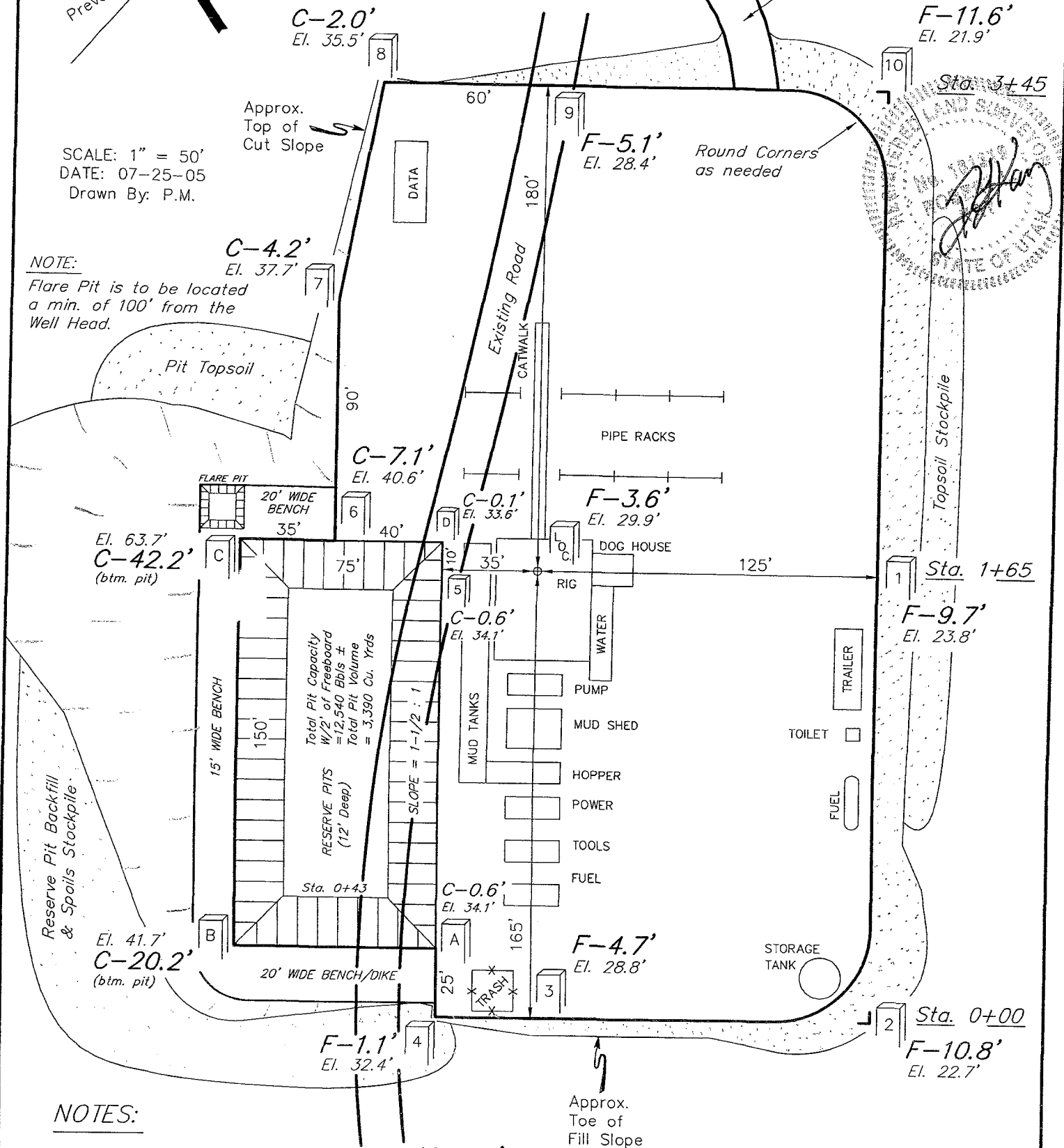
Proposed Access Road



SCALE: 1" = 50'  
DATE: 07-25-05  
Drawn By: P.M.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



### NOTES:

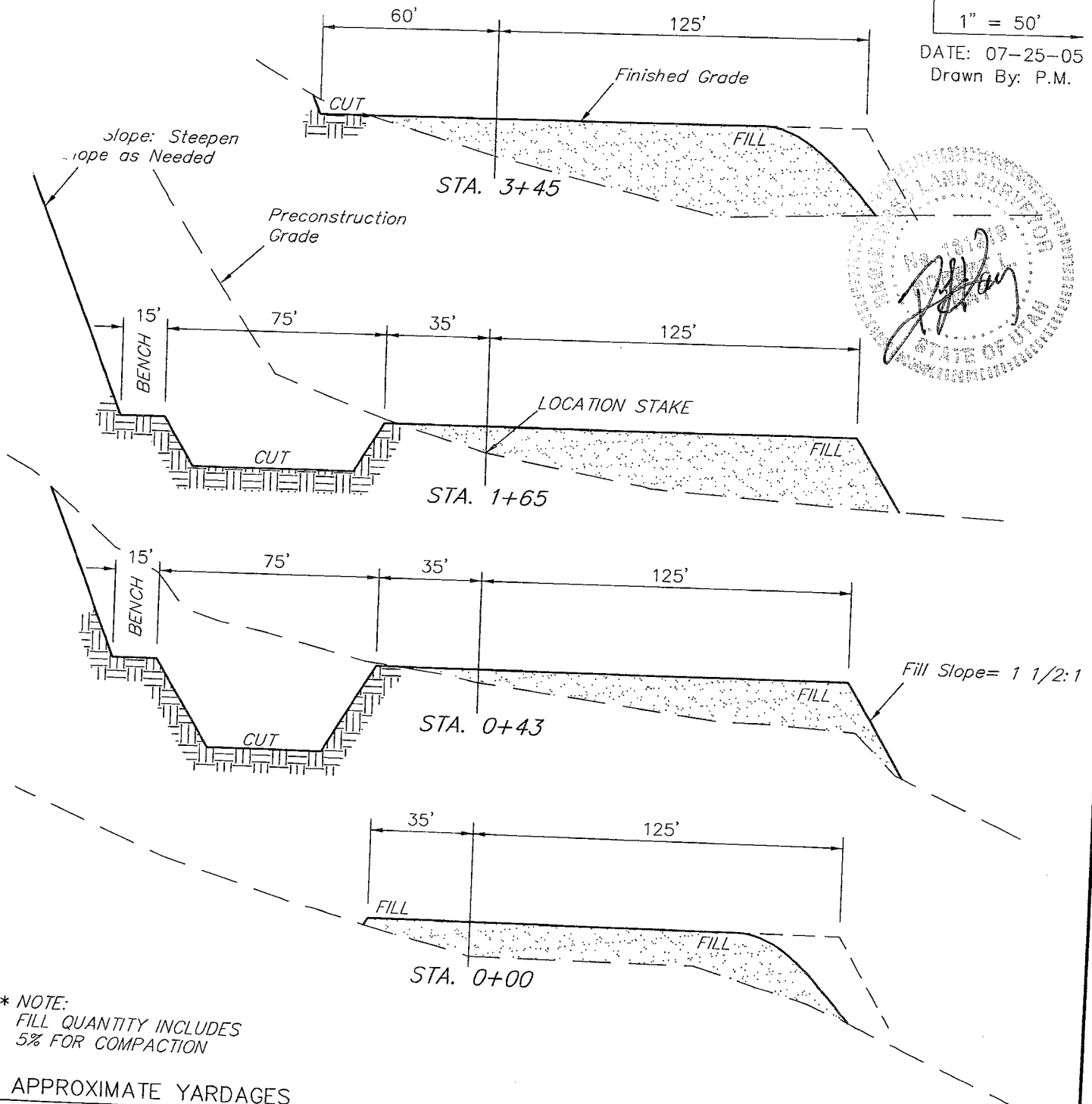
Elev. Ungraded Ground At Loc. Stake = 4929.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4933.5'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

TYPICAL CROSS SECTIONS FOR  
 NORTH WALKER HOLLOW #12-32-6-23  
 SECTION 32, T6S, R23E, S.L.B.&M.  
 2085' FSL 529' FWL

X-Section  
 Scale  
 1" = 20'  
 1" = 50'  
 DATE: 07-25-05  
 Drawn By: P.M.



\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT  
 (6") Topsoil Stripping = 2,040 Cu. Yds.  
 Remaining Location = 17,720 Cu. Yds.  
 TOTAL CUT = 19,760 CU.YDS.  
 FILL = 16,020 CU.YDS.

EXCESS MATERIAL = 3,740 Cu. Yds.  
 Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,740 Cu. Yds.  
 EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

UTAH ENGINEERING & LAND SURVEYING  
 85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

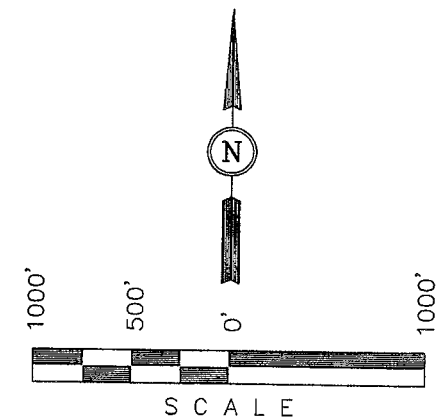
T6S, R23E, S.L.B.&M.

THE HOUSTON EXPLORATION COMPANY

Well location, NORTH WALKER HOLLOW  
#12-32-6-23, located as shown in the NW 1/4  
SW 1/4 of Section 32, T6S, R23E, S.L.B.&M.  
Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION  
32, T6S, R23E, S.L.B.&M. TAKEN FROM THE JENSEN  
QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD.  
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES  
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID  
ELEVATION IS MARKED AS BEING 4959 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

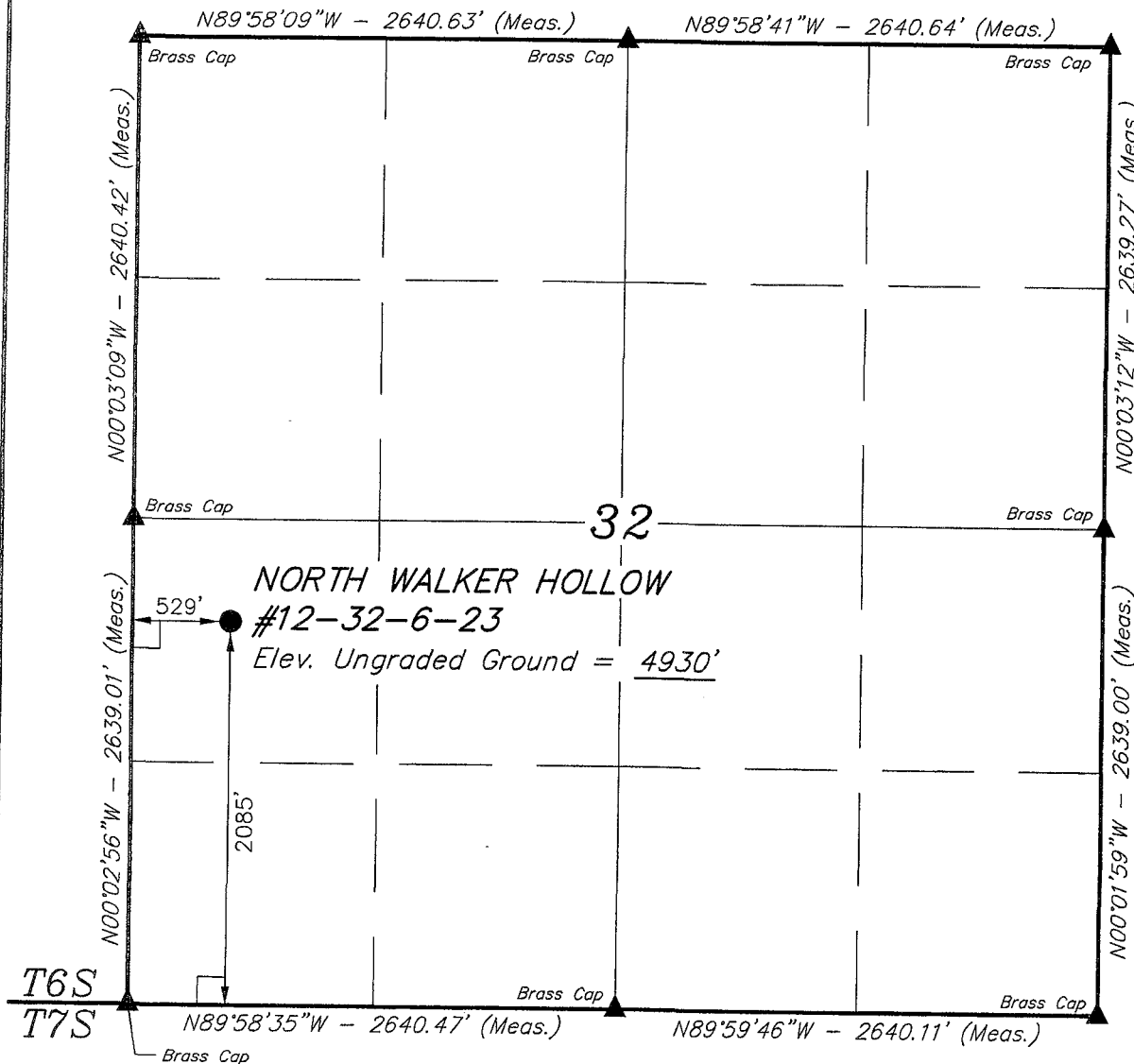
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 07-20-05	DATE DRAWN: 07-25-05
PARTY N.H. D.S. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE THE HOUSTON EXPLORATION COMPANY	



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 40°15'25.12" (40.256978)

LONGITUDE = 109°21'43.39" (109.362053)

(AUTONOMOUS NAD 27)

LATITUDE = 40°15'25.25" (40.257014)

LONGITUDE = 109°21'40.93" (109.361369)

# THE HOUSTON EXPLORATION COMPANY

FIGURE #1

## LOCATION LAYOUT FOR

NORTH WALKER HOLLOW #12-32-6-23

SECTION 32, T6S, R23E, S.L.B.&M.

2085' FSL 529' FWL

Approx.  
Toe of  
Fill Slope

F-15.9'  
El. 16.2'

Proposed Access  
Road

C-3.4'  
El. 35.5'

Approx.  
Top of  
Cut Slope

Sta. 3+45

Round Corners  
as needed

SCALE: 1" = 50'  
DATE: 07-25-05  
Drawn By: P.M.  
Revised: 08-24-05

### NOTE:

Earthwork Calculations Require  
a Fill of 2.2' @ the Location  
Stake For Balance. All Fill is  
to be Compacted to a Minimum  
of 95% of the Maximum Dry  
Density Obtained by AASHTO  
Method t-99.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

C-5.6'  
El. 37.7'

Pit Topsoil

C-8.5'  
El. 40.6'

PIPE RACKS

C-1.5'  
El. 33.6'

F-2.2'  
El. 29.9'

El. 63.7'  
C-43.6'  
(btm. pit)

FLARE PIT  
20' WIDE  
BENCH

35'

40'

75'

35'

10'

DOG HOUSE

RIG

WATER

125'

Sta. 1+65

1

F-7.9'  
El. 24.2'

Reserve Pit Backfill  
& Spoils Stockpile

El. 41.7'  
C-21.6'  
(btm. pit)

15' WIDE BENCH

150'

Total Pit Capacity  
W/2' of Freeboard  
= 12,540 Bbls ±  
Total Pit Volume  
= 3,390 Cu. Yds

RESERVE PITS  
(12' Deep)

SLOPE = 1-1/2 : 1

MUD TANKS

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

STORAGE TANK

TRAILER

TOILET

Sta. 0+43

C-2.0'  
El. 34.1'

165'

F-3.3'  
El. 28.8'

25'

3

Sta. 0+00

2

F-11.4'  
El. 20.7'

C-0.3'  
El. 32.4'

Existing  
Drainage

Proposed Access Road  
for the #14-32-6-23

Existing  
Drainage

Topsoil Stockpile

### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4929.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4932.1'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

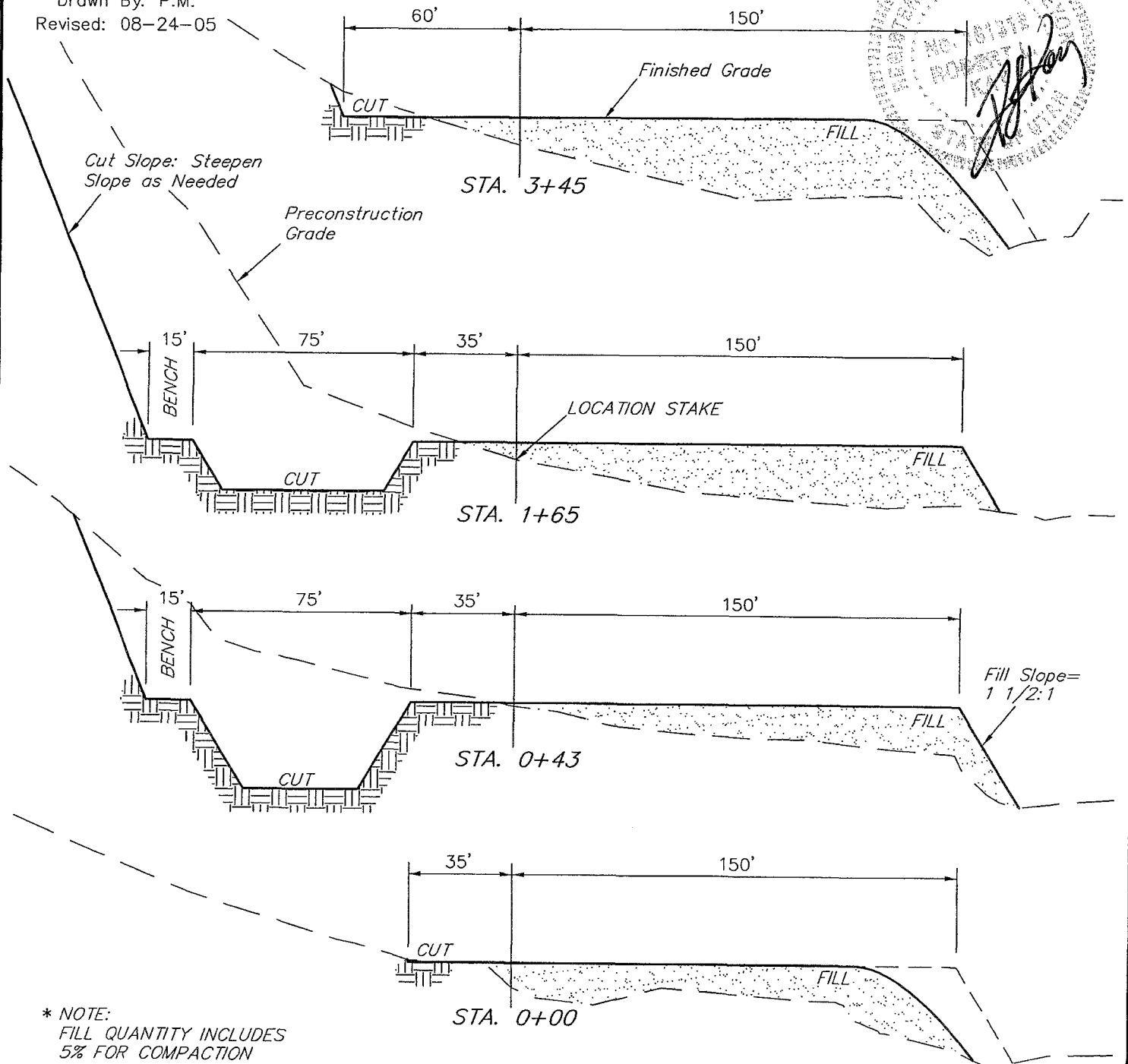
# THE HOUSTON EXPLORATION COMPANY

FIGURE #2

## TYPICAL CROSS SECTIONS FOR NORTH WALKER HOLLOW #12-32-6-23 SECTION 32, T6S, R23E, S.L.B.&M. 2085' FSL 529' FWL

X-Section  
Scale  
1" = 50'

DATE: 07-25-05  
Drawn By: P.M.  
Revised: 08-24-05



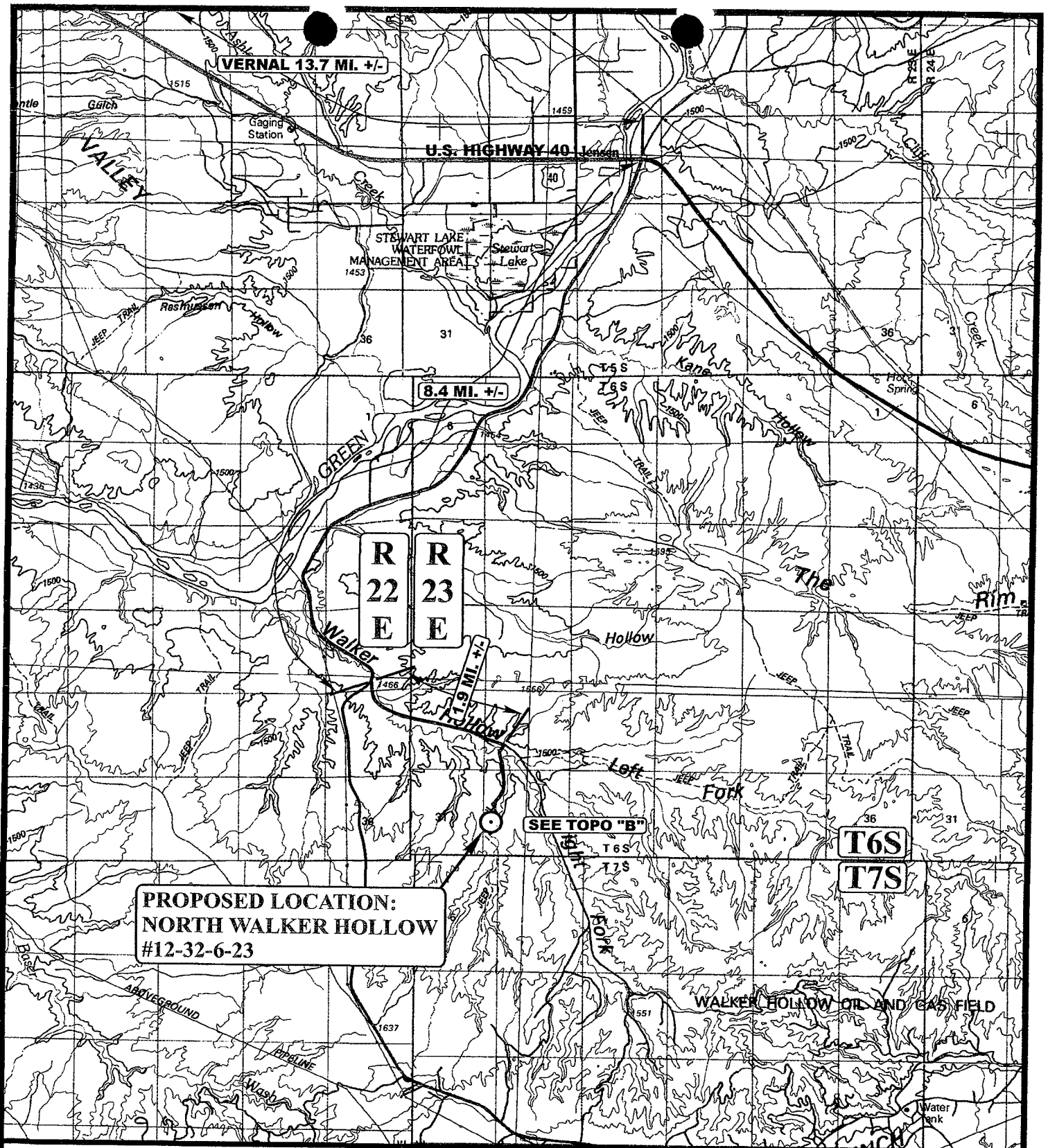
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

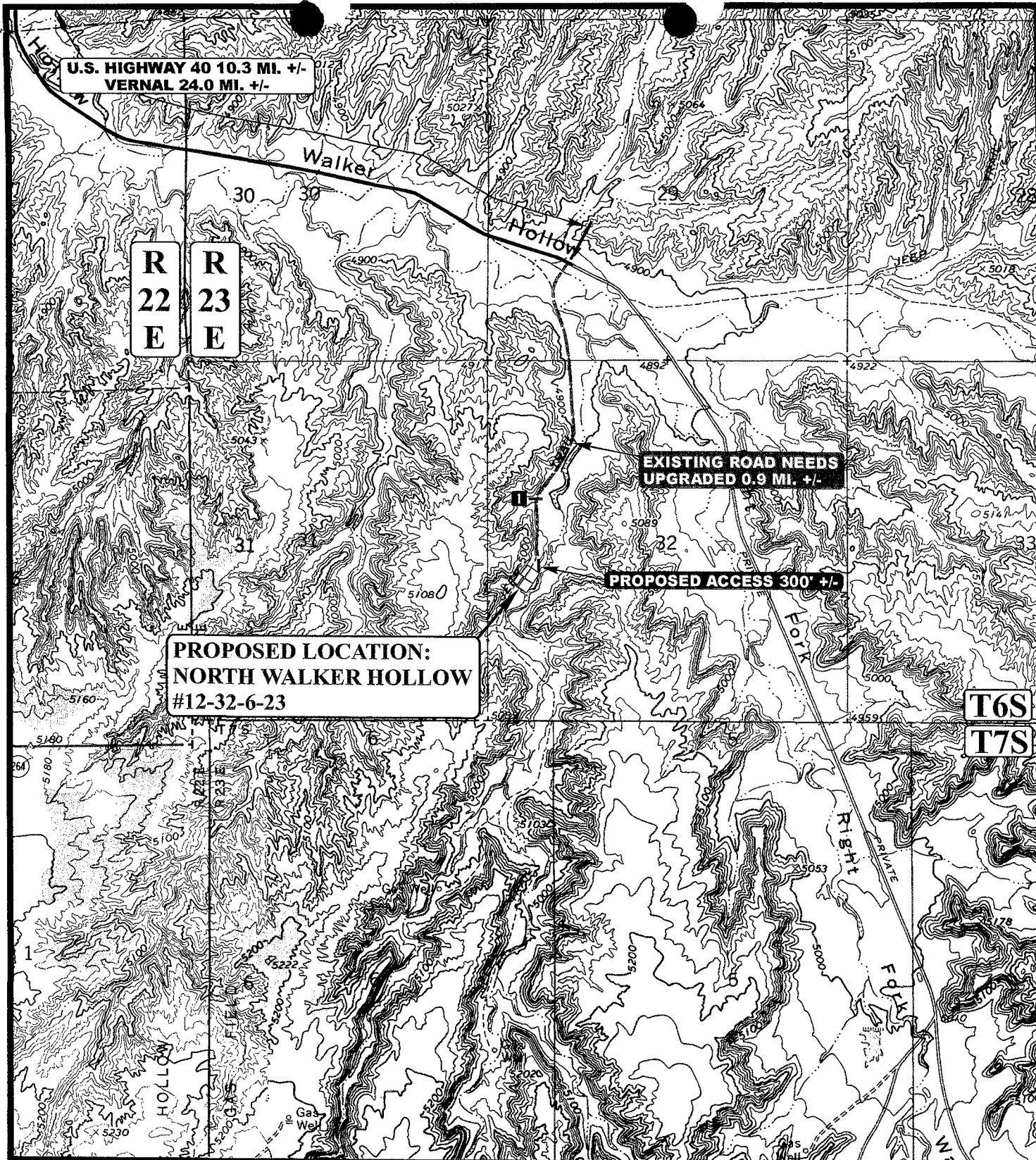
CUT  
(6") Topsoil Stripping = 2,240 Cu. Yds.  
Remaining Location = 18,250 Cu. Yds.  
  
TOTAL CUT = 20,490 CU.YDS.  
FILL = 16,560 CU.YDS.

EXCESS MATERIAL = 3,930 Cu. Yds.  
Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 3,930 Cu. Yds.  
EXCESS UNBALANCE = 0 Cu. Yds.  
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017







# LEGEND:

	EXISTING ROAD
	PROPOSED ACCESS ROAD
	EXISTING ROAD NEEDS UPGRADED
	24" CMP REQUIRED



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



## THE HOUSTON EXPLORATION COMPANY

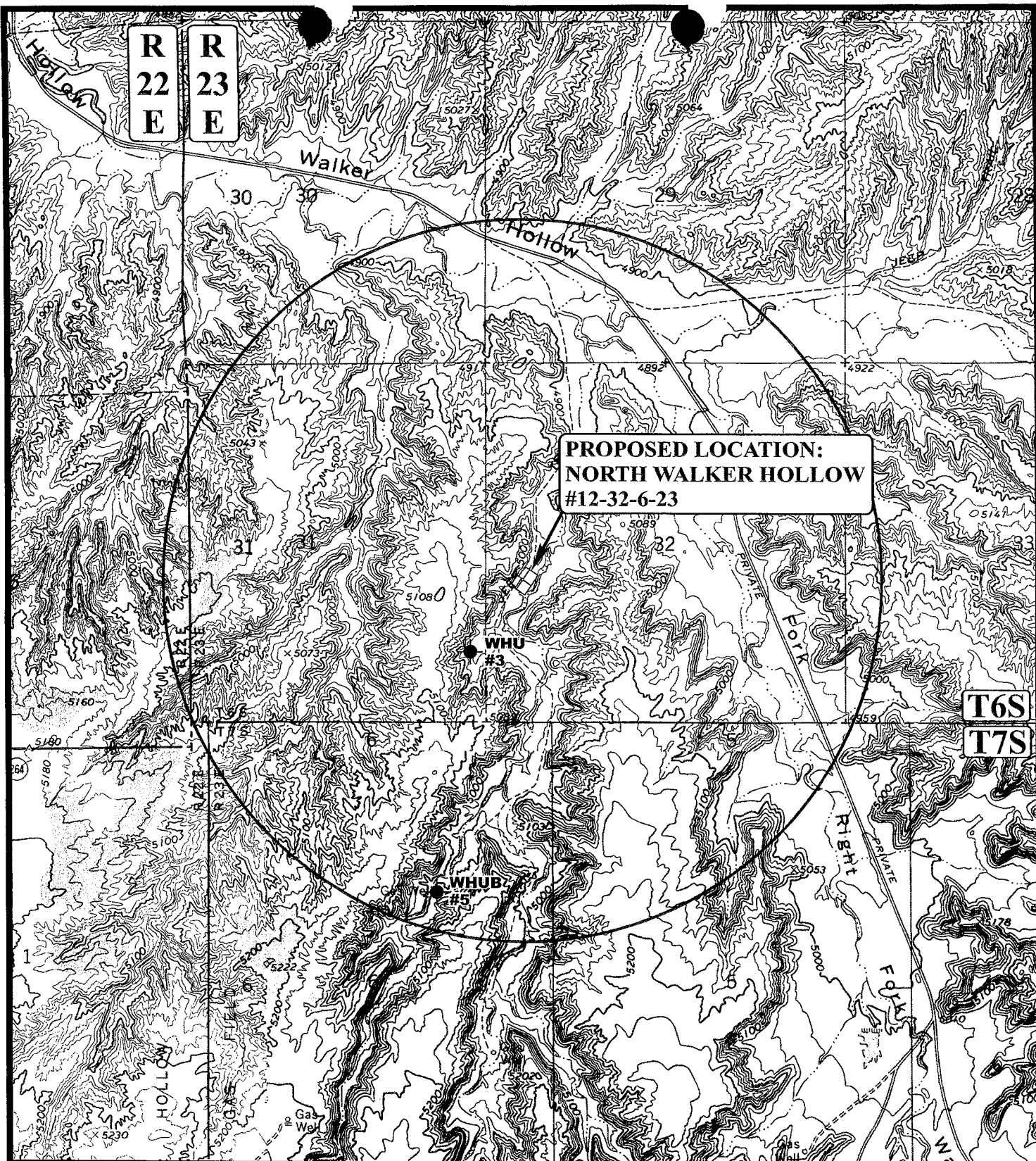
**NORTH WALKER HOLLOW #12-32-6-23**  
**SECTION 32, T6S, R23E, S.L.B.&M.**  
**2085' FSL 529' FWL**

TOPOGRAPHIC  
 MAP

07 28 05  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 08-24-05

**B**  
 TOPO



# LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS  | ○ WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



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## THE HOUSTON EXPLORATION COMPANY

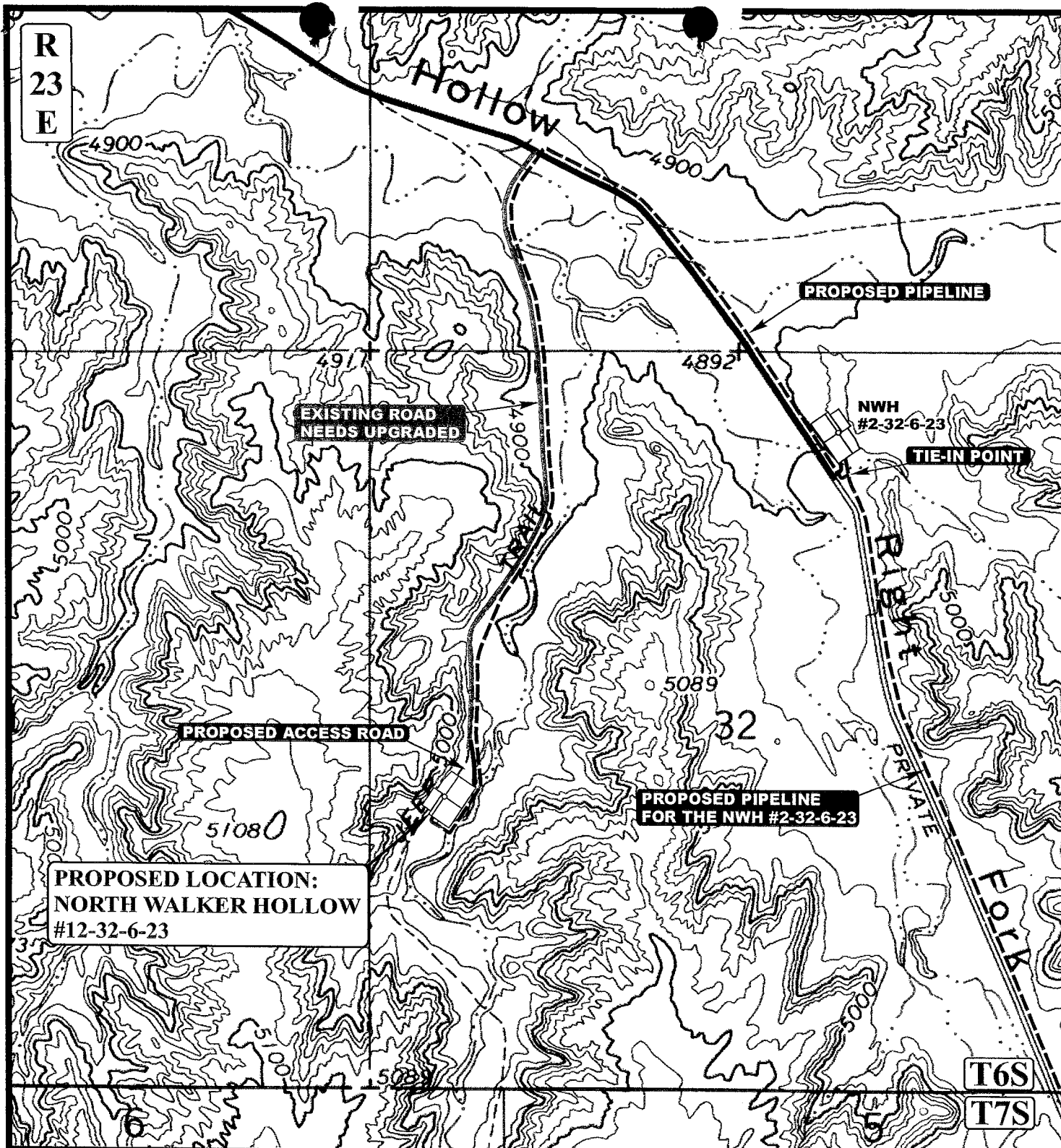
NORTH WALKER HOLLOW #12-32-6-23  
 SECTION 32, T6S, R23E, S.L.B.&M.  
 2085' FSL 529' FWL

TOPOGRAPHIC  
 MAP

07 28 05  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 08-24-05

**C**  
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 8,650' +/-

**LEGEND:**

—————	PROPOSED ACCESS ROAD
—————	EXISTING PIPELINE
—————	PROPOSED PIPELINE
—————	PROPOSED PIPELINE (SERVICING OTHER WELLS)



**THE HOUSTON EXPLORATION COMPANY**

**NORTH WALKER HOLLOW #12-32-6-23**  
**SECTION 32, T6S, R23E, S.L.B.&M.**  
**2085' FSL 529' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**07** **28** **05**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 08-24-05

**D**  
**TOPO**

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/14/2007

API NO. ASSIGNED: 43-047-39087

WELL NAME: N WALKER HOLLOW 12-32-6-23

OPERATOR: HOUSTON EXPLORATION CO, ( N2525 )

CONTACT: BILL RYAN

PHONE NUMBER: 713-830-6800

**PROPOSED LOCATION:**

NWSW 32 060S 230E

SURFACE: 2085 FSL 0529 FWL

BOTTOM: 2085 FSL 0529 FWL

COUNTY: UINTAH

LATITUDE: 40.25695 LONGITUDE: -109.3614

UTM SURF EASTINGS: 639349 NORTHINGS: 4457354

FIELD NAME: WALKER HOLLOW ( 700 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	5/9/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-47777

SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 104155044 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. T-76073 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3.  
Unit: \_\_\_\_\_  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

COMMENTS:

*Posite (11-29-05)*

STIPULATIONS:

*1- Spacing Slip  
2- STATEMENT OF BASIS*

T6S R23E

N WALKER  
HOLLOW 2-32-6-23

N WALKER  
HOLLOW 8-32-6-23  
N WALKER  
HOLLOW 8-32-6-23

N WALKER  
HOLLOW 12-32-6-23  
N WALKER  
HOLLOW 12-32-6-23

N WALKER  
HOLLOW 10-32-6-23  
N WALKER  
HOLLOW 10-32-6-23

## WALKER HOLLOW FIELD

WALKER  
HOLLOW U3

N WALKER  
HOLLOW 14-32-6-23  
N WALKER  
HOLLOW 14-32-6-23

N WALKER  
HOLLOW 16-32-6-23  
N WALKER  
HOLLOW 16-32-6-23

T7S R23E

OPERATOR: THE HOUSTON EXPL (N2525)

SEC: 32 T.6S R. 23E

FIELD: WALKER HOLLOW (700)

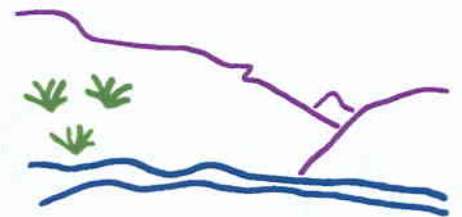
COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

**Field Status**  
 ABANDONED  
 ACTIVE  
 COMBINED  
 INACTIVE  
 PROPOSED  
 STORAGE  
 TERMINATED

**Unit Status**  
 EXPLORATORY  
 GAS STORAGE  
 NF PP OIL  
 NF SECONDARY  
 PENDING  
 PI OIL  
 PP GAS  
 PP GEOTHERML  
 PP OIL  
 SECONDARY  
 TERMINATED

**Wells Status**  
 GAS INJECTION  
 GAS STORAGE  
 LOCATION ABANDONED  
 NEW LOCATION  
 PLUGGED & ABANDONED  
 PRODUCING GAS  
 PRODUCING OIL  
 SHUT-IN GAS  
 SHUT-IN OIL  
 TEMP. ABANDONED  
 TEST WELL  
 WATER INJECTION  
 WATER SUPPLY  
 WATER DISPOSAL  
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
 DATE: 22-MARCH-2007



**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**OPERATOR:** \_\_\_\_\_ THE HOUSTON EXPLORATION COMPANY  
**WELL NAME & NUMBER:** \_\_\_\_\_ NORTH WALKER HOLLOW 12-32-6-23  
**API NUMBER:** \_\_\_\_\_ 43-047-37397  
**LOCATION:** 1/4,1/4 NW/SW sec: 32 TWP: 6S RNG: 23E, 2085 FSL 529 FWL

**Geology/Ground Water:**

The Houston Ex. Co. proposes to set 2000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,930 feet. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 32. This well is approximately 1.5 miles SE of the center of Section 2. The well produces water from a depth of 27 feet and is owned by the BLM. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

**Reviewer:** \_\_\_\_\_ Brad Hill **Date:** \_\_\_\_\_ 12-05-05

**Surface:**

The predrill investigation of the surface was performed on 11/29/05. Ben Williams with UDWR and Jim Davis with SITLA were invited to this investigation by email on 11/22/05. Both were present. Mr. Williams representing the UDWR stated the area is classified as high value yearlong habitat for antelope and limited value yearlong habitat for deer. He did not recommend any restriction periods or actions to the Operator or SITLA for these species. He stated no other wildlife species are expected to be significantly affected. Mr. Williams also gave Ms. Stringham and Mr. Davis a UDWR recommended seed mix to be used when reserve pit and location are reclaimed. An active gully lies to the south and east of the proposed location. The preferred location has been moved to an alternate location to avoid this gully. With this shifting, the reserve pit cuts into the hill on the southwest side of the location. It will be reduced from the platted width of 75 feet wide and 150 feet long to 160 feet long and only 60 feet wide so as to avoid excessive cut. This site is on State surface, with State minerals, and appears to be the best site for a location in the immediate area.

**Reviewer:** \_\_\_\_\_ Floyd Bartlett **Date:** \_\_\_\_\_ 11/30/05

**Conditions of Approval/Application for Permit to Drill:**

1. A synthetic liner with a minimum thickness of 16 mils and a felt subliner shall be properly installed and maintained in the reserve pit.

Casing Schematic

BHP  $.052(8604)12 = 5369 \text{ psi}$   
anticipate  $< 3000 \text{ psi}$

Gas  $.12(8604) = 1032$   
 $5369 - 1032 = 4337 \text{ psi, MASP}$

Gas/mud  $(0.22)(8604) = 1893$   
MASP =  $3476 \text{ psi}$   
~~(anticipate  $< 3000 \text{ psi}$ )~~  
BoPE 3M ✓  
Allowed max pressure @ shoe =  $2000 \text{ psi}$   
8-5/8" MW 8.4 Frac 19.3

Burst 4460  
 $70\% = 3122 \text{ psi}$

Max P @ surf. shoe  
 $.22(8604) = 1453$   
 $5369 - 1453 = 3916 \text{ psi}$   
Max Pressure allowed @ shoe =  $2000 \text{ psi}$  (1 psi/ft frac gr)  
test to  $3122 \text{ psi}$  ✓

✓ Adequate DWD 5/9/07

Surface

TOC @ Uinta 0.

1961' TOC w/10% w/o  
Surface 2000. MD

TOC @ 2236.

3104' Green River

5400'± BMSW

6104' Wasatch

8604' Mesaverde  
Production 8604. MD

4-1/2" MW 12.

$4432$   
 $+ 500$   
 $\hline 5432$

Well name:	<b>2007-04 Houston N. Walker Hollow 12-32-6-23</b>	
Operator:	<b>The Houston Exploration Co.</b>	
String type:	Surface	Project ID: 43-047-39087
Location:	Uintah County, Utah	

**Design parameters:**
**Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**
**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 103 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 1,760 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 2,000 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on buoyed weight.  
Neutral point: 1,749 ft

**Non-directional string.**
**Re subsequent strings:**

Next setting depth: 8,604 ft  
Next mud weight: 12.000 ppg  
Next setting BHP: 5,364 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,000 ft  
Injection pressure: 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	8.625	36.00	J-55	ST&C	2000	2000	7.7	667.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	3450	3.953	2000	4460	2.23	63	434	6.89 J

Prepared Helen Sadik-Macdonald  
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357  
FAX: (801) 359-3940

Date: April 12, 2007  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*



Well name:	<b>2007-04 Houston N. Walker Hollow 12-32-6-23</b>	
Operator:	<b>The Houston Exploration Co.</b>	
String type:	Production	Project ID: 43-047-39087
Location:	Uintah County, Utah	

**Design parameters:**
**Collapse**

Mud weight: 12.000 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**
**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 195 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: 2,236 ft

**Burst**

Max anticipated surface pressure: 3,471 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 5,363 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

**Non-directional string.**

Tension is based on buoyed weight.  
Neutral point: 7,061 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8604	4.5	11.60	N-80	LT&C	8604	8604	3.875	750.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5363	6350	1.184	5363	7780	1.45	82	223	2.72 J

Prepared Helen Sadik-Macdonald  
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357  
FAX: (801) 359-3940

Date: May 1, 2007  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 8604 ft, a mud weight of 12 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 16, 2007

Houston Exploration Company  
1100 Louisiana, Suite 2000  
Houston, TX 77002

Re: North Walker Hollow 12-32-6-23 Well, 2085' FSL, 529' FWL, NW SW,  
Sec. 32, T. 6 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39087.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA

Operator: Houston Exploration Company  
Well Name & Number North Walker Hollow 12-32-6-23  
API Number: 43-047-39087  
Lease: ML-47777

Location: NW SW                      Sec. 32                      T. 6 South                      R. 23 East

### Conditions of Approval

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at:                      (801) 538-5338 office  
   (801) 942/0873 home
- Carol Daniels at:                      (801) 538-5284 office
- Dustin Doucet at:                      (801) 538-5281 office  
   (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

**Division of Oil, Gas and Mining**  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ

2. CDW

Change of Operator (Well Sold)

**X - Operator Merger**

The operator of the well(s) listed below has changed, effective:

**6/1/2007**

<b>FROM: (Old Operator):</b> N2525 - The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002 Phone: 1-(713) 830-6800	<b>TO: (New Operator):</b> N6965-Forest Oil Corporation 707 17th St, Suite 3600 Denver, CO 80202 Phone: 1 (303) 812-1755
---	--

CA No.				Unit:			
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE STATUS
SEE ATTACHED LIST							

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/30/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 7/30/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 7/31/2007
- a. Is the new operator registered in the State of Utah: Business Number: 571171-0143
- b. If **NO**, the operator was contacted on: \_\_\_\_\_
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: \_\_\_\_\_
- c. Reports current for Production/Disposition & Sundries on: YES
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 7/31/2007 BIA
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 8/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 8/27/2007
- Bond information entered in RBDMS on: 8/27/2007
- Fee/State wells attached to bond in RBDMS on: 8/27/2007
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 7/30/2007

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: 6236351
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6218963
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 8/1/2007

**COMMENTS:**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List
2. NAME OF OPERATOR: Forest Oil Corporation N6965		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 707 17th Street, #3600 CITY Denver, STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (303) 812-1755		8. WELL NAME and NUMBER: See Attached List
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached list		9. API NUMBER: various
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT:
COUNTY:		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Change of Operator
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

N2525  
Effective 6/1/2007 please change the operator for the attached list of Utah wells from The Houston Exploration Company N-2525 to Forest Oil Corporation (N-6965). Forest merged with The Houston Exploration Company, a copy of the merger document is attached.. The contract operated wells will continue to be contract operated by Enduring.

Forest Oil Corporation as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning approved operations conducted on the lease or portion of the lease described.

Forest Oil Corporation meets the State of Utah bonding requirements under Safeco bond #6218963.

Please send all future correspondence to Forest Oil Corporation at the above listed address.

Forest Oil Corporation, 707 17th Street, Suite #3600, Denver, CO 80202

J.C. Ridens, Senior Vice President - Western Region

7-5-07  
Date

NAME (PLEASE PRINT) Joanne C. Hresko	TITLE Vice President & General Mgr. - Northern Division
SIGNATURE <i>Joanne C. Hresko</i>	DATE 7-5-07

(This space for State use only)

APPROVED 8/12/07  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

All wells with APD or New status

(See Instructions on Reverse Side)

RECEIVED  
JUL 30 2007

DIV OF OIL, GAS & MINING

WMP

well_name	sec	tpw	rng	api	entity	lease	well	stat	flag
HORSESHOE BEND 16-33	33	060S	210E	4304736214		Federal	OW	APD	
HORSESHOE BEND 3-33	33	060S	210E	4304736215		Federal	OW	APD	
N HORSESHOE 7-16-6-21	16	060S	210E	4304737438		State	GW	APD	C
N HORSESHOE 9-16-6-21	16	060S	210E	4304737439		State	GW	APD	C
N HORSESHOE 15-16-6-21	16	060S	210E	4304737440		State	GW	APD	C
N HORSESHOE 11-16-6-21	16	060S	210E	4304737441		State	GW	APD	C
N HORSESHOE 1-16-6-21	16	060S	210E	4304737442		State	GW	APD	C
N HORSESHOE 13-2-6-21	02	060S	210E	4304737476		State	GW	APD	C
N HORSESHOE 15-2-6-21	02	060S	210E	4304737477		State	GW	APD	C
GUSHER 2-2-6-19	02	060S	190E	4304737561		State	OW	APD	C
GUSHER 16-2-6-19	02	060S	190E	4304737562		State	OW	APD	C
GUSHER 1-2-6-19	02	060S	190E	4304737563		State	OW	APD	C
GUSHER 3-2-6-19	02	060S	190E	4304737568		State	OW	APD	C
E COYOTE 6-2-8-25	02	080S	250E	4304737572		State	GW	APD	C
E COYOTE 3-2-8-25	02	080S	250E	4304737573		State	GW	APD	C
E COYOTE 8-2-8-25	02	080S	250E	4304737574		State	GW	APD	C
N HORSESHOE 13-16-6-21	16	060S	210E	4304737575		State	GW	APD	C
E COYOTE 4-2-8-25	02	080S	250E	4304737882		State	GW	APD	C
E COYOTE 14-2-8-25	02	080S	250E	4304737883		State	GW	APD	C
E COYOTE 10-2-8-25	02	080S	250E	4304737884		State	GW	APD	C
E COYOTE 16-2-8-25	02	080S	250E	4304737885		State	GW	APD	C
E COYOTE 12-2-8-25	02	080S	250E	4304737886		State	GW	APD	C
N HORSESHOE 16-18-6-22	18	060S	220E	4304737887		Federal	GW	APD	C
N HORSESHOE 14-18-6-22	18	060S	220E	4304737888		Federal	GW	APD	C
N HORSESHOE 2-18-6-22	18	060S	220E	4304737889		Federal	GW	APD	C
N HORSESHOE 10-18-6-22	18	060S	220E	4304737890		Federal	GW	APD	C
N HORSESHOE 8-18-6-22	18	060S	220E	4304737891		Federal	GW	APD	C
N HORSESHOE 13-15-6-21	15	060S	210E	4304738013		Federal	GW	APD	C
N HORSESHOE 15-15-6-21	15	060S	210E	4304738014		Federal	GW	APD	C
N HORSESHOE 11-15-6-21	15	060S	210E	4304738015		Federal	GW	APD	C
N HORSESHOE 9-15-6-21	15	060S	210E	4304738016		Federal	GW	APD	C
N HORSESHOE 5-15-6-21	15	060S	210E	4304738017		Federal	GW	APD	C
N HORSESHOE 3-15-6-21	15	060S	210E	4304738018		Federal	GW	APD	C
N HORSESHOE 5-20-6-22	20	060S	220E	4304738019		Federal	GW	APD	C
N HORSESHOE 13-20-6-22	20	060S	220E	4304738020		Federal	GW	APD	C
N HORSESHOE 3-20-6-22	20	060S	220E	4304738021		Federal	GW	APD	C
N HORSESHOE 7-20-6-22	20	060S	220E	4304738022		Federal	GW	APD	C
N HORSESHOE 11-20-6-22	20	060S	220E	4304738023		Federal	GW	APD	C
N HORSESHOE 2-12-6-21	12	060S	210E	4304738198		Federal	GW	APD	C
N HORSESHOE 14-12-6-21	12	060S	210E	4304738199		Federal	GW	APD	C
N HORSESHOE 10-12-6-21	12	060S	210E	4304738200		Federal	GW	APD	C
N HORSESHOE 8-12-6-21	12	060S	210E	4304738201		Federal	GW	APD	C
N HORSESHOE 16-13-6-21	13	060S	210E	4304738202		Federal	GW	APD	C
N HORSESHOE 15-17-6-22	17	060S	220E	4304738203		Federal	GW	APD	C
N HORSESHOE 5-19-6-22	19	060S	220E	4304738204		Federal	GW	APD	C
N HORSESHOE 15-19-6-22	19	060S	220E	4304738205		Federal	GW	APD	C
N HORSESHOE 3-21-6-22	21	060S	220E	4304738206		Federal	GW	APD	C
N HORSESHOE 11-21-6-22	21	060S	220E	4304738207		Federal	GW	APD	C
N HORSESHOE 15-21-6-22	21	060S	220E	4304738208		Federal	GW	APD	C
N HORSESHOE 13-21-6-22	21	060S	220E	4304738209		Federal	GW	APD	C
N HORSESHOE 5-21-6-22	21	060S	220E	4304738210		Federal	GW	APD	C
N HORSESHOE 7-19-6-22	19	060S	220E	4304738271		Federal	GW	APD	C
N HORSESHOE 5-16-6-22	16	060S	220E	4304738406		State	GW	APD	

well_name	sec	twp	rng	api	entity	lease	well	stat	flag
TWELVEMILE WASH 11-13-5-20	13	050S	200E	4304738437		Federal	GW	APD	C
TWELVEMILE WASH 1-15-5-20	15	050S	200E	4304738438		Federal	GW	APD	C
N HORSESHOE 4-33-5-21	33	050S	210E	4304738439		Federal	GW	APD	C
GUSHER 6-15-6-19	15	060S	190E	4304738440		Federal	GW	APD	C
HORSESHOE BEND W 9-34-6-20	34	060S	200E	4304738441		Federal	GW	APD	C
N HORSESHOE 16-12-6-21	12	060S	210E	4304738442		Federal	GW	APD	C
N WALKER HOLLOW 12-29-6-23	29	060S	230E	4304738443		Federal	GW	APD	C
N WALKER HOLLOW 10-30-6-23	30	060S	230E	4304738444		Federal	GW	APD	C
PELICAN LAKE 11-3-8-20	03	080S	200E	4304738445		Federal	GW	APD	C
PELICAN LAKE 8-4-8-20	04	080S	200E	4304738446		Federal	GW	APD	C
E COYOTE 10-3-8-25	03	080S	250E	4304738447		Federal	GW	APD	C
BORDER 10-9-8-25	09	080S	250E	4304738448		Federal	GW	APD	C
N WALKER HOLLOW 14-33-6-23	33	060S	230E	4304738455		Federal	GW	APD	C
SNAKE JOHN WASH 14-11-7-25	11	070S	250E	4304738456		Federal	GW	APD	C
SNAKE JOHN WASH 4-24-7-25	24	070S	250E	4304738457		Federal	GW	APD	C
SQUAW RIDGE 1-26-7-25	26	070S	250E	4304738458		Federal	GW	APD	C
SQUAW RIDGE 13-28-7-25	28	070S	250E	4304738459		Federal	GW	APD	C
SQUAW RIDGE 16-30-7-25	30	070S	250E	4304738460		Federal	GW	APD	C
SQUAW RIDGE 14-16-7-25	16	070S	250E	4304738461		State	GW	APD	C
GUSHER 13-11-5-19	11	050S	190E	4304738462		State	GW	APD	C
N HORSESHOE 1-15-6-21	15	060S	210E	4304738831		Federal	GW	APD	C
N HORSESHOE 16-9-6-22	09	060S	220E	4304739083		State	GW	APD	
N HORSESHOE 12-7-6-22	07	060S	220E	4304739084		State	GW	APD	
N HORSESHOE 14-10-6-22	10	060S	220E	4304739085		State	GW	APD	
N HORSESHOE 2-15-6-22	15	060S	220E	4304739086		State	GW	APD	
N WALKER HOLLOW 12-32-6-23	32	060S	230E	4304739087		State	GW	APD	
N WALKER HOLLOW 10-32-6-23	32	060S	230E	4304739088		State	GW	APD	
N WALKER HOLLOW 16-32-6-23	32	060S	230E	4304739089		State	GW	APD	
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304739090		State	GW	APD	
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304739091		State	GW	APD	
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304739092		State	GW	APD	
N WALKER HOLLOW 14-32-6-23	32	060S	230E	4304739093		State	GW	APD	
N WALKER HOLLOW 15-36-6-23	36	060S	230E	4304739094		State	GW	APD	
N HORSESHOE 4-15-6-22	15	060S	220E	4304739095		State	GW	APD	
N HORSESHOE 9-10-6-21	10	060S	210E	4304739284		Federal	GW	APD	C
N HORSESHOE 12-13-6-21	13	060S	210E	4304739285		Federal	GW	APD	
N HORSESHOE 7-15-6-21	15	060S	210E	4304739286		Federal	GW	APD	
N HORSESHOE 9-19-6-22	19	060S	220E	4304739287		Federal	GW	APD	
N HORSESHOE 13-19-6-22	19	060S	220E	4304739288		Federal	GW	APD	
N HORSESHOE 11-19-6-22	19	060S	220E	4304739289		Federal	GW	APD	
SQUAW RIDGE 16-13-7-24	13	070S	240E	4304739319		Federal	GW	APD	C
N HORSESHOE 16-7-6-22	07	060S	220E	4304739320		Federal	GW	APD	C
SQUAW RIDGE 8-16-7-25	16	070S	250E	4304738024		State	GW	NEW	C



**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	N Walker Hollow 12-32-6-23
<b>API number:</b>	4304739087
<b>Location:</b>	Qtr-Qtr: NWSW    Section: 32    Township: 6S    Range: 23E
<b>Company that filed original application:</b>	The Houston Exploration Company
<b>Date original permit was issued:</b>	05/16/2007
<b>Company that permit was issued to:</b>	The Houston Exploration Company

Check one	Desired Action:
<input type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		<input checked="" type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?		<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>6218963</u>	<input checked="" type="checkbox"/>	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Tami Hofmann Title Regulatory Specialist  
Signature *Tami Hofmann* Date 08/06/2007  
Representing (company name) Forest Oil Corporation

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47777
2. NAME OF OPERATOR: Forest Oil Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: NA
PHONE NUMBER: (303) 812-1700		8. WELL NAME and NUMBER: North Walker Hollow 12-32-6-23
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2085' FSL & 529' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 6S 23E		9. API NUMBER: 4304739087
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Exploratory
STATE: UTAH		

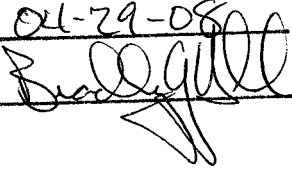
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The Operator respectfully requests a one year approval extension for the subject location.

Approved by the  
Utah Division of  
Oil, Gas and Mining

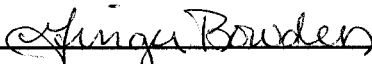
Date: 04-29-08  
By: 

COPY SENT TO OPERATOR

Date: 5.1.2008  
Initials: KS

NAME (PLEASE PRINT) Ginger Bowden

TITLE Agent

SIGNATURE 

DATE 4/16/2008

(This space for State use only)

RECEIVED

APR 28 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304739087  
**Well Name:** North Walker Hollow 12-32-6-23  
**Location:** Section 32, Township 6 South Range 23 East NWSW  
**Company Permit Issued to:** Forest Oil Corporation (Houston Exploration Co)  
**Date Original Permit Issued:** 5/16/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

*Angela Bouden*  
Signature

4/16/2008

Date

Title: Agent

Representing: Forest Oil Corporation

RECEIVED

APR 28 2008

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

July 1 , 2009

Forest Oil Corporation  
707 17<sup>th</sup> Street, Suite 3600  
Denver, CO 80202

Re: APD Rescinded – N Walker Hollow 12-32-6-23, Sec.32, T.6S, R.23E  
Uintah County, Utah API No. 43-047-39087

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 16, 2007. On April 29, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 1, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason  
Environmental Scientist

cc: Well File  
SITLA, Ed Bonner

